

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF OHIO  
WESTERN DIVISION

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DORMAN ANGEL, et al.,  
Plaintiffs,  
vs. CASE NO.  
C-1-01-467  
UNITED PAPERWORKERS  
INTERNATIONAL UNION (PACE)  
LOCAL 1967, et al.,  
Defendants.

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Deposition of: KENNETH C. STANIFER  
Taken: By the Plaintiffs  
Pursuant to Notice  
Date: November 22nd, 2004  
Time: Commencing at 10:00 a.m.  
Place: Kircher, Robinson,  
& Welch  
2300 Kroger Building  
Suite 2520  
Cincinnati, Ohio 45202  
Before: Jennifer Coats  
Notary Public - State of Ohio

COPY

<p style="text-align: right;">Page 2</p> <p>1 APPEARANCES:</p> <p>2 On behalf of the plaintiffs:</p> <p>3 Paul K. Seibel, Esq.</p> <p>4 of</p> <p>5 Jacobs, Kleinman, Seibel</p> <p>6 &amp; McNally Co., L.P.A.</p> <p>7 2300 Kroger Building</p> <p>8 1014 Vine Street</p> <p>9 Cincinnati, Ohio 45202</p> <p>10 On behalf of the plaintiffs:</p> <p>11 Mark J. Byrne, Esq.</p> <p>12 of</p> <p>13 Jacobs, Kleinman, Seibel</p> <p>14 &amp; McNally Co., L.P.A.</p> <p>15 2300 Kroger Building</p> <p>16 1014 Vine Street</p> <p>17 Cincinnati, Ohio 45202</p> <p>18 On behalf of PACE Union Local 1967:</p> <p>19 Robert I. Doggett, Esq.</p> <p>20 6740 Clough Pike, Suite 200</p> <p>21 Cincinnati, Ohio 45244</p> <p>22 On behalf of PACE International Union:</p> <p>23 James B. Robinson, Esq.</p> <p>24 of</p> <p>25 Kircher, Robins &amp; Welch</p> <p>1014 Vine Street, Suite 2520</p> <p>Cincinnati, Ohio 45202</p> <p>On behalf of Smart Paper Co., Inc.:</p> <p>Charles P. Groppe</p> <p>of</p> <p>Morgan, Lewis &amp; Bockius Co., L.L.P.</p> <p>1111 Pennsylvania Avenue, NW</p>	<p style="text-align: right;">Page 4</p> <p>1 INDEX</p> <p>2 KENNETH C. STANIFER PAGE</p> <p>3 Cross-Examination by Mr. Byrne 5</p> <p>4 Examination by Mr. Groppe 133</p> <p>5 Examination by Mr. Doggett 136</p> <p>6 Further Cross-Examination by Mr. Byrne 145</p> <p>7 Further Examination by Mr. Doggett 148</p> <p>8 EXHIBITS MARKED REFERENCED</p> <p>9 Plaintiff's Exhibit 1 20 20</p> <p>10 Plaintiff's Exhibit 2 23 23</p> <p>11 Plaintiff's Exhibit 3 24 24</p> <p>12 Plaintiff's Exhibit 4 40 40</p> <p>13 Plaintiff's Exhibit 5 83 83</p> <p>14 Plaintiff's Exhibit 6 103 103</p> <p>15 Plaintiff's Exhibit 7 103 115</p> <p>16 ---</p> <p>17</p> <p>18</p> <p>19</p> <p>20</p> <p>21</p> <p>22</p> <p>23</p> <p>24</p> <p>25</p>
<p style="text-align: right;">Page 3</p> <p>1 On behalf of International Paper:</p> <p>2 Vincent J. Miraglia</p> <p>3 International Place</p> <p>4 6400 Poplar Avenue</p> <p>5 Memphis, Tennessee 38197</p> <p>6 Also Present:</p> <p>7 Gerald P. Johnston</p> <p>8 ---</p> <p>9</p> <p>10</p> <p>11</p> <p>12</p> <p>13</p> <p>14</p> <p>15</p> <p>16</p> <p>17</p> <p>18</p> <p>19</p> <p>20</p> <p>21</p> <p>22</p> <p>23</p> <p>24</p> <p>25</p>	<p style="text-align: right;">Page 5</p> <p>1 KENNETH C. STANIFER</p> <p>2 of lawful age, a witness herein, being first duly</p> <p>3 sworn as hereinafter certified, was examined and</p> <p>4 deposed as follows:</p> <p>5 CROSS-EXAMINATION</p> <p>6 BY MR. BYRNE:</p> <p>7 Q. For the record, sir, could you state your</p> <p>8 name and spell your last name?</p> <p>9 A. Yes, Kenneth C. Stanifer S-t-a-n-i-f-e-r.</p> <p>10 Q. My name is Mike Byrne. I represent a</p> <p>11 number of individuals who have sued PACE</p> <p>12 International and PACE Local. All I'm going to do</p> <p>13 today is ask you some questions about your</p> <p>14 involvement in the situation that arose back in 2001</p> <p>15 with International Paper.</p> <p>16 If there's any time that you don't</p> <p>17 understand a question that I ask, let me know and I</p> <p>18 will try to rephrase it for you. A couple of other</p> <p>19 simple rules, she can only take down one person at a</p> <p>20 time so let me finish my question before you start</p> <p>21 your answer. I'll try to extend the same courtesy to</p> <p>22 you and allow you to finish your answer before I</p> <p>23 start another question.</p> <p>24 And also, she needs a verbal answer to any</p> <p>25 question I ask because she can't take down a nod of</p>

2 (Pages 2 to 5)

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1 Q. Just a couple of other questions, sir.  
 2 With regard to the Springdale closure that you talked  
 3 about?  
 4 A. Yes.  
 5 Q. I think you talked about the fact that you  
 6 were a part of that negotiation with regard to  
 7 severance?  
 8 A. That's correct.  
 9 Q. Was there any collective bargaining  
 10 agreement in existence that talked about the amount  
 11 of severance that the individuals who were  
 12 employees --  
 13 A. No, there wasn't.  
 14 Q. At Springdale would obtain severance?  
 15 A. No there, wasn't.  
 16 Q. Was that when you negotiated the 60 days,  
 17 was that something that the union proposed?  
 18 A. 60 hours.  
 19 Q. 60 hours, excuse me, I'm sorry. 60 hours.  
 20 A. Yes, it was.  
 21 Q. And IP excepted that?  
 22 A. Yes, they did.  
 23 Q. And that was for all of the employees?  
 24 A. Yes. But they all lost their jobs; no one  
 25 was rehired by International Paper or any other

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1 entity.  
 2 Q. Well, nobody in this case, with regard to  
 3 the B Street mill in Hamilton was rehired by IP  
 4 either, were they?  
 5 A. They were hired by Smart Paper, the  
 6 successor.  
 7 Q. Are you telling me that Smart Paper and  
 8 IP --  
 9 A. No, I'm not telling you they're one in the  
 10 same.  
 11 MR. ROBINSON: I'd like to strike the  
 12 question.  
 13 Q. So in this case, it's your understanding,  
 14 is it not, that no one was hired by IP, weren't they?  
 15 A. That's correct.  
 16 Q. No individual who was a bargaining unit  
 17 employee was hired by IP when IP sold the mill to  
 18 Smart?  
 19 A. At that location? No.  
 20 Q. And with regard to your actions in the  
 21 execution of the severance agreement, has anybody  
 22 ever said anything to you or imposed any discipline  
 23 on you for doing that?  
 24 A. For doing my job? No.  
 25 Q. I understand that it's your position that

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1 you were doing your job when you signed the  
 2 agreement.  
 3 A. That's correct.  
 4 Q. Has anyone ever indicated to you that that  
 5 maybe wasn't your job or maybe you shouldn't have  
 6 done that?  
 7 A. No.  
 8 Q. Is there any other agreement while you  
 9 have been the international rep that was -- that  
 10 existed between IP and the union which you signed on  
 11 behalf of the union without getting ratification?  
 12 A. This is the only one because my other  
 13 dealings with IP were collective bargaining  
 14 agreements, that required ratification.  
 15 Q. So it's your position that in all of the  
 16 years that you were international rep from, I think  
 17 you said, '86 to the present?  
 18 A. That's correct.  
 19 Q. The only time that there was an agreement  
 20 that was not a collective bargaining agreement  
 21 between IP or its predecessor, Champion, was this  
 22 effects bargaining agreement; is that right?  
 23 A. That's the only one that I signed without  
 24 ratification. If there was -- as I stated earlier,  
 25 if there was an amendment to the collective

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1 bargaining agreement, it demanded, in my opinion,  
 2 ratification.  
 3 Q. All right. And has any -- strike that.  
 4 Has in your -- as a part of this International Paper  
 5 committee, is there any other location that you're  
 6 aware of that wherein International Paper sold the  
 7 assets of a mill and individuals continued to be  
 8 employed there?  
 9 A. No, there was not. I don't know, they may  
 10 do it. Hell, I don't know what they do.  
 11 Q. Okay. That's all I have sir.  
 12 A. Thank you.  
 13 Q. Thank you.  
 14 MR. DOGGETT: I have a couple of  
 15 questions.  
 16 (Off the record.)  
 17 EXAMINATION  
 18 BY MR. GROPE:  
 19 Q. Mr. Stanifer, I'm Charlie Groppe. I told  
 20 you before I started, I represent Smart Papers in the  
 21 case and I just have one or two questions for you.  
 22 You said you met with Mr. Cohen?  
 23 A. No. No, I called him.  
 24 Q. I'm sorry, you called Mr. Cohen, was that  
 25 about January 9th?

34 (Pages 130 to 133)

<p style="text-align: right;">Page 134</p> <p>1 A. Yes.</p> <p>2 Q. Did you have any other conversations with</p> <p>3 Mr. Cohen between January 9th and when Smart Papers</p> <p>4 actually took over the mill in February of 2001?</p> <p>5 A. He attended a couple of negotiating</p> <p>6 sessions.</p> <p>7 Q. And they were negotiating sessions</p> <p>8 involving Smart Paper?</p> <p>9 A. Smart Paper and Local 1967, yes.</p> <p>10 Q. And they were about trying to reach some</p> <p>11 type of agreement?</p> <p>12 A. Wage, hours and working conditions, yes.</p> <p>13 Q. Did you have any conversation with</p> <p>14 Mr. Cohen about the effects bargaining agreement?</p> <p>15 A. No, I did not.</p> <p>16 Q. Did you have any conversations with</p> <p>17 anybody from Smart Paper about the effects bargaining</p> <p>18 agreement?</p> <p>19 A. No.</p> <p>20 Q. You testified a little bit about your</p> <p>21 concern about people that failed the drug test?</p> <p>22 A. Correct.</p> <p>23 Q. Would they be entitled to severance pay?</p> <p>24 A. Yes, they ultimately received a severance</p> <p>25 package when I asked Mr. Stewart, how many lawsuits</p>	<p style="text-align: right;">Page 136</p> <p>1 agreement -- the sale agreement?</p> <p>2 A. No, I haven't.</p> <p>3 Q. Have you -- you've never reviewed it?</p> <p>4 A. No.</p> <p>5 Q. You don't have any idea what Smart Papers</p> <p>6 -- strike that. Do you have any idea or did you know</p> <p>7 anything about how many employees Smart Paper wanted</p> <p>8 to hire when it took over the mill in February of</p> <p>9 2001?</p> <p>10 A. I didn't know the exact number. And from</p> <p>11 experience, I knew that they would have to hire a</p> <p>12 large number of employees to operate the mill.</p> <p>13 Q. But Smart Paper told you how many they</p> <p>14 intended to hire?</p> <p>15 A. No.</p> <p>16 Q. Did Smart Paper tell you what criteria it</p> <p>17 was going to use when it hired people?</p> <p>18 A. No.</p> <p>19 Q. Thanks, Mr. Stanifer. I have no further</p> <p>20 questions.</p> <p>21 EXAMINATION</p> <p>22 BY MR. ROBINSON:</p> <p>23 Q. You testified about agreements with IP.</p> <p>24 Over the years, did you handle grievances with IP?</p> <p>25 A. Oh, absolutely.</p>
<p style="text-align: right;">Page 135</p> <p>1 do you want filed?</p> <p>2 Q. And was any of the language in the effects</p> <p>3 bargaining agreement changed to allow those people to</p> <p>4 get severance if they qualified?</p> <p>5 A. It speaks in the severance package that --</p> <p>6 Q. I think it's Exhibit 4?</p> <p>7 A. Yeah, employees who did not -- who do</p> <p>8 receive an employment offer from Smart Paper will not</p> <p>9 be entitled to severance pay unless they are</p> <p>10 terminated from Smart Paper through no fault of their</p> <p>11 own within 18 months of the sale date.</p> <p>12 Q. People that applied for a job that failed</p> <p>13 the drug test, they wouldn't have been offered</p> <p>14 employment?</p> <p>15 A. No, they wouldn't.</p> <p>16 Q. But they'd still be entitled to severance?</p> <p>17 A. Yes, because that's what Mr. Stewart</p> <p>18 agreed to. Regardless of the reason one did not</p> <p>19 receive employment offer, they would receive a</p> <p>20 severance package.</p> <p>21 Q. That's something you negotiated on their</p> <p>22 behalf?</p> <p>23 A. Yes.</p> <p>24 Q. Now you also testified about an agreement</p> <p>25 between IP and Smart Paper. Have you ever seen that</p>	<p style="text-align: right;">Page 137</p> <p>1 Q. Did you reach agreements on any of those</p> <p>2 grievances?</p> <p>3 A. Sure.</p> <p>4 Q. Did you have membership votes on those</p> <p>5 grievances?</p> <p>6 A. No.</p> <p>7 Q. Or on the grievance agreements resolving</p> <p>8 those grievances?</p> <p>9 A. No.</p> <p>10 Q. When IP took over from Champion, if you</p> <p>11 know, did they buy the mill assets or did they buy</p> <p>12 the whole shebang?</p> <p>13 A. As I understood, they bought all of</p> <p>14 International.</p> <p>15 Q. It was a stock sale?</p> <p>16 A. Yes, stock sale plus cash, I think.</p> <p>17 Q. Okay, thank you.</p> <p>18 EXAMINATION</p> <p>19 BY MR. DOGGETT:</p> <p>20 Q. I only have a couple of questions to clear</p> <p>21 up --</p> <p>22 MR. BYRNE: Objection. I just want to let</p> <p>23 you know I was going to make one.</p> <p>24 MR. DOGGETT: Sorry. I went to clear up my</p> <p>25 own -- I don't want -- I don't hear too well,</p>

35 (Pages 134 to 137)